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Japan

Grain and Feed

Result of the 4th SBS Rice Tender 2003

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Report Highlights: On December 20, in the fourth Simultaneous Buy and Sell (SBS) rice tender, the total amount of contracted rice again fell short of the allocation at only 13,421 metric tons (MT). FA intends to move the cumulative uncontracted amount to the Ordinary Minimum Access (OMA) tenders. With the completion of four SBS tenders for the current fiscal year, China's market share reached 48.4%, down from 65.7% last year. Although U.S. share increased to 40.2% from 25.2% last year, total volume declined from 25,173 MT last year to 20,122 MT.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Tokyo [JA1], JA

On December 20, the Food Agency (FA) of the Ministry of Agriculture, Forestry and Fisheries (MAFF) conducted its fourth Simultaneous Buy and Sell (SBS) rice tender under the Uruguay Round minimum access agreement for Japan Fiscal Year 2002 (April 2002 - March 2003). A total of 11,370 metric tons (MT) of foreign rice was contracted, with the U.S. accounting for 3,302 MT, or 29% of the total. Contracts for Chinese rice reached 7,022 MT for a 62% market share.

The total amount of contracted rice again fell short of the 25,000 MT allocation. From the first through the fourth tenders, 50,067 MT of foreign rice has been contracted, filling only half of Japan's allocation for the SBS rice under the Uruguay Round minimum access commitment. Instead of holding an additional SBS tender, FA intends to move the cumulative un-contracted amount to the Ordinary Minimum Access (OMA) tenders.

With the completion of four SBS tenders for the current fiscal year, China's market share reached 48.4%, down from 65.7% last year. As a result of the significant decline in the overall contracted amount, U.S. share increased to 40.2% from 25.2% last year. However, in terms of volume, the cumulative contracted amount for U.S. rice declined from 25,173 MT last year to 20,122 MT.

The tables on the following pages show the overall results for the first through fourth tenders and the detailed results for the fourth tender.

Overall Results for the First Through Fourth Tenders

Fourth SBS Tender (December 20, 2002):									
	China	U.S.	Thailand	Australia	Vietnam	Pakistan	India	Italy	Total
Quantity (MT)	7,022	3,302	370	561	0	80	18	17	11,370
Share (%)	61.8	29.0	3.3	4.9	-	0.7	0.2	0.1	100.0
Third SBS Tender (November 8, 2002):									
	China	U.S.	Thailand	Australia	Vietnam	Pakistan	India	Italy	Total
Quantity (MT)	8,191	4,371	263	505	0	40	0	51	13,421
Share (%)	61.0	32.6	2.0	3.8	-	0.3	-	0.4	100.0
Second SBS Tender (August 30, 2002):									
	China	U.S.	Thailand	Australia	Vietnam	Pakistan	Spain	Italy	Total
Quantity (MT)	3,060	6,807	100	629	0	0	0	0	10,596
Share (%)	28.9	64.2	0.9	5.9	-	-	-	-	100.0
First SBS Tender (May 31, 2002):									
	China	U.S.	Thailand	Australia	Vietnam	Pakistan	India	Italy	Total
Quantity (MT)	5,974	5,642	594	2,382	0	20	17	51	14,680
Share (%)	40.7	38.4	4.0	16.2	-	0.1	0.1	0.4	100.0
Total SBS Tenders (First - Fourth):									
	China	U.S.	Thailand	Australia	Vietnam	Pakistan	India	Italy	Total
Quantity (MT)	24,247	20,122	1,327	4,077	0	140	35	119	50,067
Share (%)	48.4	40.2	2.7	8.1	-	0.3	0.1	0.2	100.0

Results of 4th JFY'2002 SBS Tender
(Metric Tons, \$/Metric Ton)

Country	Type	Quantity Applied (MT)	Quantity Awarded (MT)	Food Agency's Purchase Price (\$/MT)	Food Agency's Selling Price (\$/MT)	Mark-up (\$/MT)
U.S.A.	Short/Brown	162	162	810	1,642	832
	Short/Milled	1,732	1,534	901	1,690	789
	Medium/Milled	40	40	536	1,632	1,096
	Glut./Short/Milled	596	596	787	1,602	815
	Broken/Milled	1,659	970	418	971	553
	TOTAL	4,189	3,302	-	-	-
China	Short/Brown	18	18	727	1,802	1,075
	Short/Milled	7,560	4,684	792	1,863	1,071
	Long/Brown	98	78	1,007	2,311	1,304
	Glut./Short/Milled	816	816	818	1,644	826
	Broken/Milled	2,066	1,426	435	982	547
	TOTAL	10,558	7,022	-	-	-
Australia	Short/Milled	829	457	917	2,004	1,087
	Broken/Milled	200	104	423	965	542
	TOTAL	1,029	561	-	-	-
Thailand	Long/Milled	350	330	546	1,850	1,304
	Glut./Long/Milled	40	40	570	1,843	1,273
	TOTAL	390	370	-	-	-
India	Long/Milled	18	18	1,628	2,942	1,314
Pakistan	Long/Milled	80	80	1,074	2,405	1,331
Italy	Short/Milled	17	17	2,223	3,099	876
GRAND TOTAL		16,281	11,370	-	-	-

Note: Exchange rate used: \$1 = 121 yen